

Your Medicare Benefits

Your Health Care Coverage Under. . .

- ♦ ♦ ♦ Part A (Hospital Insurance)
 - ♦ ♦ ♦ Part B (Medical Insurance)
- Including Preventive Services

1998



Table of Contents

| | |
|--|-------|
| Introduction | 1-2 |
| Part A (Hospital Insurance) Covered Services | 3 |
| Part B (Medical Insurance) Covered Services | 4 |
| Preventive Services | 5 |
| Phone Numbers for Assistance | |
| Fiscal Intermediaries (Part A Questions) | 6-7 |
| Medicare Carriers (Part B Questions) | 8-9 |
| Regional Home Health Intermediaries (Home Health and Hospice Questions) | 10-11 |
| Definitions of Important Terms | 12 |
| Index | 13 |

Medicare's health benefits include coverage for certain health care services and durable medical equipment. To have full Medicare coverage, Medicare beneficiaries must have both Part A (Hospital Insurance) and Part B (Medical Insurance). The chart below explains some differences between Part A and Part B.

Part A (Hospital Insurance)...

Helps Pay For: Care in hospitals and skilled nursing facilities, and for home health and hospice care.

Cost: If you are eligible, Part A is premium free—that is, you don't pay a premium because you or your spouse paid Medicare taxes while you were working.

Who to Call: Your Fiscal Intermediary can answer your questions on what Part A services Medicare will pay for and how much will be paid (see pages 6-7).

Part B (Medical Insurance)...

Helps Pay For: Doctors, outpatient hospital care and some other medical services that Part A doesn't cover, such as the services of physical and occupational therapists. Part B covers all doctor services that are medically necessary.

Cost: Part B cost \$43.80 per month in 1998.* (This amount may be higher if you didn't take Part B when you first became eligible, unless you or your spouse were employed and had group health plan coverage at that time. If the employment or group health coverage ends, you have 8 months to sign-up before your premium would increase.)

Who to Call: Your Medicare carrier can answer questions about Part B services and coverage (see pages 8-9).

If you are not sure if you have Part A and Part B, look on your Medicare card (red, white and blue card). It will show "Hospital Insurance (Part A)" and/or "Medical Insurance (Part B)" in the lower left corner of the card. You can also call your local Social Security office, or call 1-800-772-1213. More information on Part A and Part B can be found on the Internet at **www.medicare.gov**. Your local library or senior center may be able to help you get this information on their computers.

* The Social Security Administration or the Railroad Retirement Board will send you information about the 1999 Part A and Part B premium rates by January 1, 1999. Or, you can check the Internet at **www.medicare.gov**.

The Medicare coverage charts on pages 3–5 list:

- What is covered and what you pay under Part A (Hospital Insurance).
- What is covered and what you pay under Part B (Medical Insurance).
- The Preventive Services (health care services to help you stay healthy) covered by Medicare under Part B and what you pay for these life saving services.

Additional Coverage

The Original Medicare Plan is the traditional pay-per-visit arrangement. It covers all the benefits listed on pages 3–5. However, the Original Medicare Plan doesn't pay for or cover everything. To get more health care coverage under the Original Medicare Plan you may purchase a Supplemental Insurance Policy (Medigap or Medicare SELECT) from a private insurance company.

Starting in 1999, Medicare will offer new health plan choices. Information on these choices will appear in *Medicare & You*. All beneficiaries will receive *Medicare & You* in November

of 1998. Some of these choices offer extra benefits not covered under the Original Medicare Plan, such as prescription drugs. You may wish to consider joining a Medicare Managed Care Plan (includes Health Maintenance Organizations (HMOs), HMOs with Point-of-Service Options, Provider Sponsored Organizations, and Preferred Provider Organizations), Medicare Medical Savings Account Plan, Medicare Private Fee-for-Service Plan, or Religious Fraternal Benefit Society Plan in order to receive more coverage. Definitions of these plans are on page 12.

More information on and availability of Medicare health plans can be found:

- On the Internet at **www.medicare.gov**. Your local library or senior center may be able to help you get this information on their computers.
- By calling the Medicare Special Information number at 1-800-318-2596 (TTY: 1-877-486-2048) **after** November 1, 1998.

All Medicare health plans must provide all of the Medicare covered services described on pages 3–5.

Covered Services

Hospital Stays: Semiprivate room, meals, general nursing and other hospital services and supplies (but not private duty nursing, a television or telephone in your room, or a private room unless medically necessary).

Skilled Nursing Facility (SNF) Care†:

Semiprivate room, meals, skilled nursing and rehabilitative services, and other services and supplies.

Home Health Care†: Intermittent skilled nursing care, physical therapy, speech language pathology services, home health aide services, durable medical equipment (such as wheelchairs, hospital beds, oxygen, and walkers) and supplies, and other services.

Hospice Care†: Pain and symptom relief, and supportive services for the management of a terminal illness.

Home care is provided. Also covers necessary inpatient care and a variety of services otherwise not covered by Medicare.

Blood: From a hospital or skilled nursing facility during a covered stay.

What You Pay*

For each benefit period you pay:

- A total of \$764 for a hospital stay of 1-60 days.
- \$191 **per day** for days 61-90 of a hospital stay.
- \$382 **per day** for days 91-150 of a hospital stay.**
- All costs for **each day** beyond 150 days.

For each benefit period you pay:

- Nothing for the first 20 days.
- Up to \$95.50 per day for days 21-100.
- All costs beyond the 100th day in the benefit period.

Contact your Fiscal Intermediary with questions about Skilled Nursing Facility Care and conditions of coverage.

You pay:

- Nothing for Home Health Care services.
- 20% of approved amount for durable medical equipment (such as wheelchairs, hospital beds, oxygen, and walkers).

Call your Regional Home Health Intermediary with questions about Home Health Care and conditions of coverage.

You pay:

- Limited costs for outpatient drugs and inpatient respite care (care given to a hospice patient so that the usual caregiver can rest).

Call your Regional Home Health Intermediary about Hospice Care and conditions of coverage.

You pay:

- For the first 3 pints.

*1999 Part A & B premium, coinsurance, and deductible amounts will be available before January 1, 1999.

**You have 60 reserve days that may only be used once. For each reserve day, Medicare pays all covered costs except for a daily coinsurance (\$382 in 1998).

†You must meet certain conditions in order for Medicare to cover these services.

Benefit Period: Starts the day you are admitted to a hospital or Skilled Nursing Facility and ends when you haven't received hospital inpatient or Skilled Nursing Facility care for 60 consecutive days.

Call your Fiscal Intermediary for general questions about your Medicare Part A coverage.

Medicare Part B (Medical Insurance) Covered Services

Covered Services

Medical Expenses: Doctors' services, inpatient and outpatient medical and surgical services and supplies, physical, occupational and speech therapy, diagnostic tests, and durable medical equipment (DME).

Clinical Laboratory Service: Blood tests, urinalysis, and more.

Home Health Care: (If you don't have Part A.) Intermittent skilled care, home health aide services, DME and supplies, and other services.

Outpatient Hospital Services: Services for the diagnosis or treatment of an illness or injury.

Blood: As an outpatient, or as part of a Part B covered service.

What You Pay*

You pay:

- \$100 deductible (pay once per year).
- 20% of approved amount after the deductible, except in the outpatient setting.
- 50% for most outpatient mental health.
- 20% of first \$1,500 for all physical therapy services and 20% of first \$1,500 for all occupational therapy services, and all charges thereafter. (Hospital outpatient therapy services do not count towards limit.)

You pay:

- Nothing for services.

You pay:

- Nothing for services.
- 20% of approved amount for DME.

You pay:

- No less than 20% of the Medicare payment amount (after the deductible).

You pay:

- For the first 3 pints plus 20% of approved amount for additional pints (after the deductible).

*The 1999 Part A & B premium, coinsurance, and deductible amounts will be available before January 1, 1999.

Note: Actual amounts you must pay for coinsurance are higher if the doctor does not accept assignment (see page 12).

Call your Medicare carrier if you have general questions about your Medicare Part B coverage.

Part B also helps pay for:

- X-rays
- Speech language pathology services
- Artificial limbs and eyes
- Arm, leg, back, and neck braces
- Kidney dialysis and kidney transplants
- Under limited circumstances, heart, lung, and liver transplants in a Medicare-approved facility
- Preventive services (see next page)
- Very limited outpatient drugs
- Emergency care
- Limited chiropractic services
- Medical supplies: items such as ostomy bags, surgical dressings, splints, and casts
- Breast prostheses following a mastectomy
- Ambulance services (limited coverage)
- The services of practitioners such as clinical psychologists, clinical social workers, and nurse practitioners
- One pair of eyeglasses after cataract surgery with an intraocular lens

| Covered Service | Eligible Beneficiaries | What You Pay |
|--|---|---|
| Screening Mammogram: Once per year. | All female Medicare beneficiaries age 40 and older. | 20% of the Medicare approved amount with no Part B deductible. |
| Pap Smear and Pelvic Examination: (Includes a clinical breast exam) Once every three years. Once per year if you are high risk for cancer of the cervix or had an abnormal Pap smear in the preceding three years. | All female Medicare beneficiaries. | No coinsurance and no Part B deductible for the Pap smear (clinical laboratory charge). For doctor services and all other exams, 20% of the Medicare approved amount with no Part B deductible. |
| Colorectal Cancer Screening: Fecal Occult Blood Test Once every year. Flexible Sigmoidoscopy Once every four years. Colonoscopy Once every two years if you are high risk for cancer of the colon. Barium Enema Doctor can substitute for sigmoidoscopy or colonoscopy. | All Medicare beneficiaries age 50 and older. | No coinsurance and no Part B deductible for the fecal occult blood test. For all other tests, 20% of the Medicare approved amount after the annual Part B deductible. |
| Diabetes Monitoring: Includes coverage for glucose monitors, test strips, lancets, and self-management training. | All Medicare beneficiaries with diabetes (insulin users and non-users). | 20% of the Medicare approved amount after the annual Part B deductible. |
| Bone Mass Measurements: Varies with your health status. | Certain Medicare beneficiaries at risk for losing bone mass. | 20% of the Medicare approved amount after the annual Part B deductible. |
| Vaccinations: Flu Shot: Once per year. Pneumococcal Vaccination: One may be all you ever need — ask your doctor. Hepatitis B Vaccination: If you are high risk for hepatitis. | All Medicare beneficiaries. | No coinsurance and no Part B deductible for flu or pneumococcal vaccinations. For Hepatitis B vaccination, 20% of the Medicare approved amount after the Part B deductible. |

Assignment—In the Original Medicare Plan, doctors and other providers who accept assignment accept the amount Medicare approves for a particular service or supply as payment in full. (You are still responsible for any coinsurance amount.)

Benefit Period—Starts the day you are admitted to a hospital or skilled nursing facility and ends when you haven't received hospital inpatient or skilled nursing facility care for 60 consecutive days.

Coinsurance—The percent of the approved charge that you have to pay either after you pay the Part A deductible, or after you pay the first \$100 deductible each year for Part B.

Deductible—The amount you must pay before Medicare begins to pay either each benefit period for Part A, or each year for Part B.

Fiscal Intermediary—A private insurance company that has contracted with Medicare to process bills (claims) for Part A services.

Managed Care Plans—Managed Care Plans involve a group of doctors, hospitals, and other health care providers who have agreed to provide care to Medicare beneficiaries in exchange for a fixed amount of money from Medicare every month. They include Health Maintenance Organizations (HMOs), HMOs with Point of Service Options, Provider Sponsored Organizations, Preferred Provider Organizations, and Private Fee-for-Service Plans.

Medicare Carrier—A private insurance company that has contracted with Medicare to process beneficiary bills (claims) for Part B services.

Medicare Medical Savings Account Plan—A Medicare health plan option made up of two parts. One part is a Medicare MSA Health Policy with a high deductible. The other part is a special savings account, called a Medicare MSA. Medicare deposits money into the account to help pay your medical bills. Medicare also pays the premium for the health policy.

Original Medicare Plan—The traditional pay-per-visit arrangement that covers Part A and Part B services.

Premium—Monthly payment for health care coverage to Medicare, an insurance company, or a health care plan.

Private Fee-for-Service Plan—A private insurance plan that accepts Medicare beneficiaries.

Regional Home Health Intermediaries—An organization contracted by Medicare that processes claims and performs audits of home health providers.

Religious Fraternal Benefit Society Plans—Health plan offered by a Religious Fraternal Benefit Society for members of the society.

Supplemental Insurance Policy—Many private insurance companies sell Medicare Supplemental Insurance Policies that fill the “gaps” in Original Medicare Plan coverage. Similar coverage may also be available to retirees through an employer or union health plan.

| | | | |
|---|------------|---|---------------|
| Ambulance Services | 4 | Internet | 1, 2 |
| Artificial Limbs and Eyes | 4 | Kidney Dialysis | 4 |
| Assignment | 4, 12 | Laboratory Services | 4 |
| Barium Enema | 5 | Mammogram | 5 |
| Benefit Period | 3, 12 | Managed Care Plans | 2, 12 |
| Blood | 3, 4 | Medical Expenses | 4 |
| Bone Mass Measurement | 5 | <i>Medicare & You</i> | 2 |
| Braces (Arm, Leg, Back, or Neck) | 4 | Medicare Carriers | 1, 4, 8-9, 12 |
| Breast Prostheses | 4 | Medical Supplies | 4 |
| Cervical Cancer | 5 | Medicare Health Plans | 2 |
| Chiropractic Services | 4 | Medicare Medical Savings Account Plan | 2, 12 |
| Clinical Psychologists | 4 | Medicare Private Fee-for-Service Plan | 2, 12 |
| Clinical Social Worker | 4 | Nurse Practitioner | 4 |
| Coinsurance | 5, 12 | Occupational Therapy | 1, 4 |
| Colon Cancer | 5 | Original Medicare Plan | 1, 2, 12 |
| Colonoscopy | 5 | Outpatient Medical/Surgical Services | 4 |
| Colorectal Cancer Screening | 5 | Outpatient Drugs | 4 |
| Deductible | 4, 5, 12 | Outpatient Mental Health Services | 4 |
| Diabetes Monitoring | 5 | Outpatient Hospital Services | 4 |
| Diagnostic Tests | 4 | Pap Smear | 5 |
| Doctors Services | 4 | Pelvic Examination | 5 |
| Durable Medical Equipment | 1, 4 | Physical Therapy | 1, 4 |
| Emergency Care | 4 | Pneumococcal Vaccination | 5 |
| Eyeglasses (After Cataract Surgery) | 4 | Regional Home Health Intermediaries | 3, 10-12 |
| Fiscal Intermediary | 3, 6-7, 12 | Religious Fraternal Benefit Society Plan | 2, 12 |
| Flexible Sigmoidoscopy | 5 | Skilled Nursing Facility | 1, 3 |
| Flu Shot | 5 | Speech therapy | 4 |
| Hepatitis B Vaccination | 5 | Supplemental Insurance Policy | 2, 12 |
| Home Health Care | 3, 4 | Transplants | 4 |
| Home Health Aide Services | 3, 4 | X-Rays | 4 |
| Hospice Care | 3 | | |
| Hospital Stay | 3 | | |
| Inpatient Medical/Surgical Services | 4 | | |
| Intermittent Skilled Care | 4 | | |

**U.S. DEPARTMENT OF
HEALTH AND HUMAN SERVICES**

**Health Care Financing
Administration**

7500 Security Boulevard
Baltimore, Maryland 21244-1850

Publication No. HCFA-10116
October 1998